

# Downtown and Village Center Tax Credits Spark Revitalization

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VT Department of Housing and Community Development

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# What is Downtown and Village Center Designation all about?

The Vermont Downtown and Village Center Designations **recognize and support local revitalization efforts** across the state **with dedicated staff and funding** to help municipalities build and foster strong communities.



# Designation Benefits

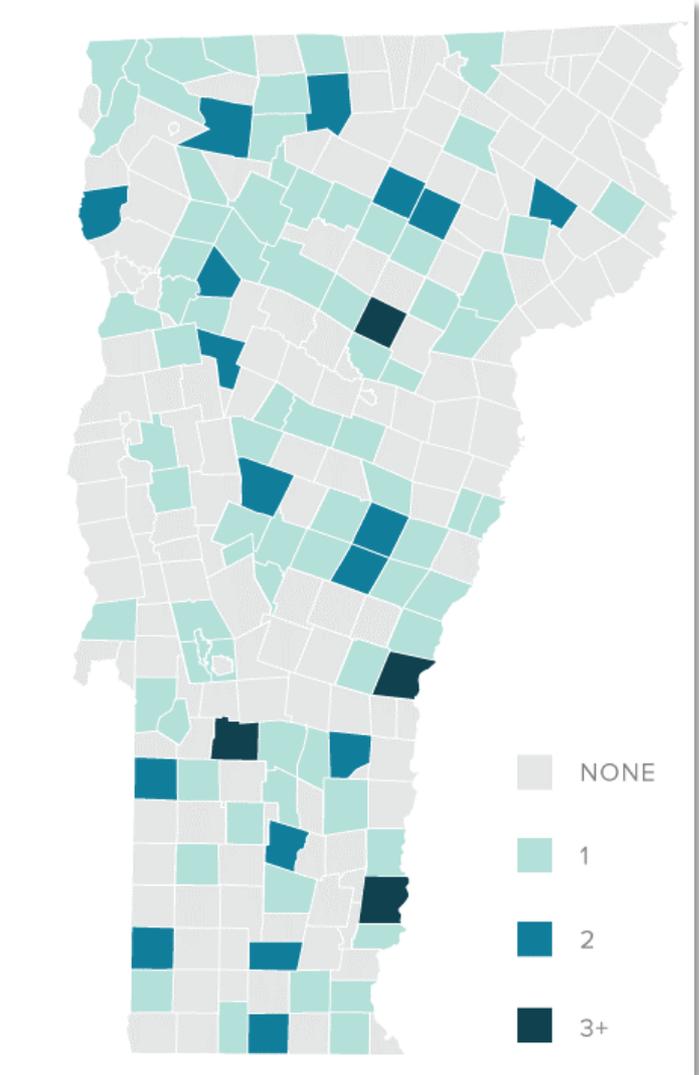
- Technical Assistance
- State Grants Priority
- State Buildings Priority
- Eligible for Neighborhood Development Area Designation
- **Downtown and Village Center Tax Credits**



# Downtown & Village Center Tax Credits

## The Basics

- Goal is to stimulate investment in commercial centers, large and small
- Awards \$2.4 Million in credits annually
- Applications are competitive
- Project must be located in a Designated Downtown or Village Center
- 23 Designated Downtowns, 139 Designated Village Centers



# Downtown & Village Center Tax Credits

## Tax Credit Tiers

- 10% credit for qualified rehabilitation with approved federal application
- 25% credit for façade repairs
- 50% credit for technology improvements such as data and network wiring
- 50% credit for code improvements including elevators and sprinkler systems



# Downtown & Village Center Tax Credits



## By the Numbers [2013-2017]

**141**

projects awarded

**52**

communities  
served

**\$12**

million awarded  
tax credits

**\$181.5**

million in private  
investment

# Downtown & Village Center Tax Credits



## Applicant Survey

80 Million Invested

56%

Spent on Labor

98% of materials  
purchased in Vermont

44%

Spent on Construction Materials

Businesses and Jobs Created

622

Permanent Jobs Created

754

Temporary Jobs Created

34

New Businesses

16

Expanded Businesses

N=59

# Downtown & Village Center Tax Credits



## Aldrich Block

Total Project Cost  
\$1,160,000

Tax Credits Awarded  
\$112,500



## Blanchard Block

Total Project Cost  
\$5,500,000

Tax Credits Awarded  
\$287,500

**Barre**

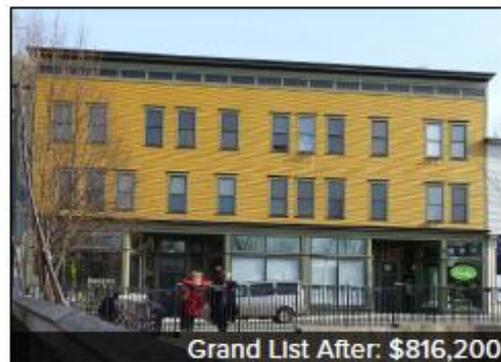
# Downtown & Village Center Tax Credits



## Hardwick Inn

Total Project Cost  
\$1,225,000

Tax Credits Awarded  
\$192,200



## Bemis Block

Total Project Cost  
\$2,500,000

Tax Credits Awarded  
\$112,500

**Hardwick**

# Downtown & Village Center Tax Credits



## Dot's Restaurant

Total Project Cost  
\$802,000

Tax Credits Awarded  
\$92,087



## The Village Roost

Total Project Cost  
\$575,000

Tax Credits Awarded  
\$41,764

**Wilmington**

# Downtown & Village Center Tax Credits



Grand List Before: \$107,700



Grand List After: \$132,700

Hancock General Store

**\$145,000 Project**

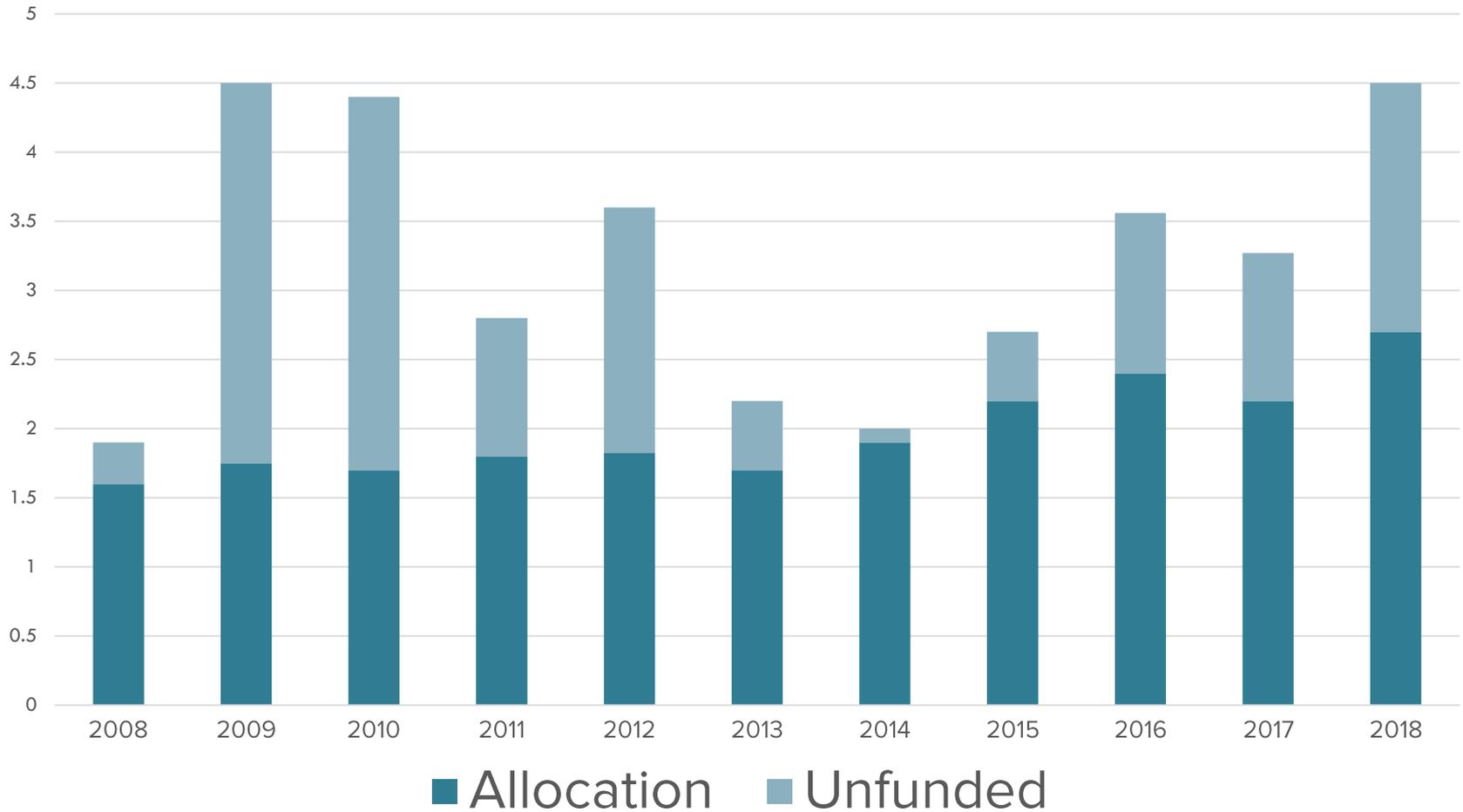
\$ 6,000 - 25% State Façade Credit

\$13,850 - 50% State Code Credit

**\$19,850 Total Tax Credits**

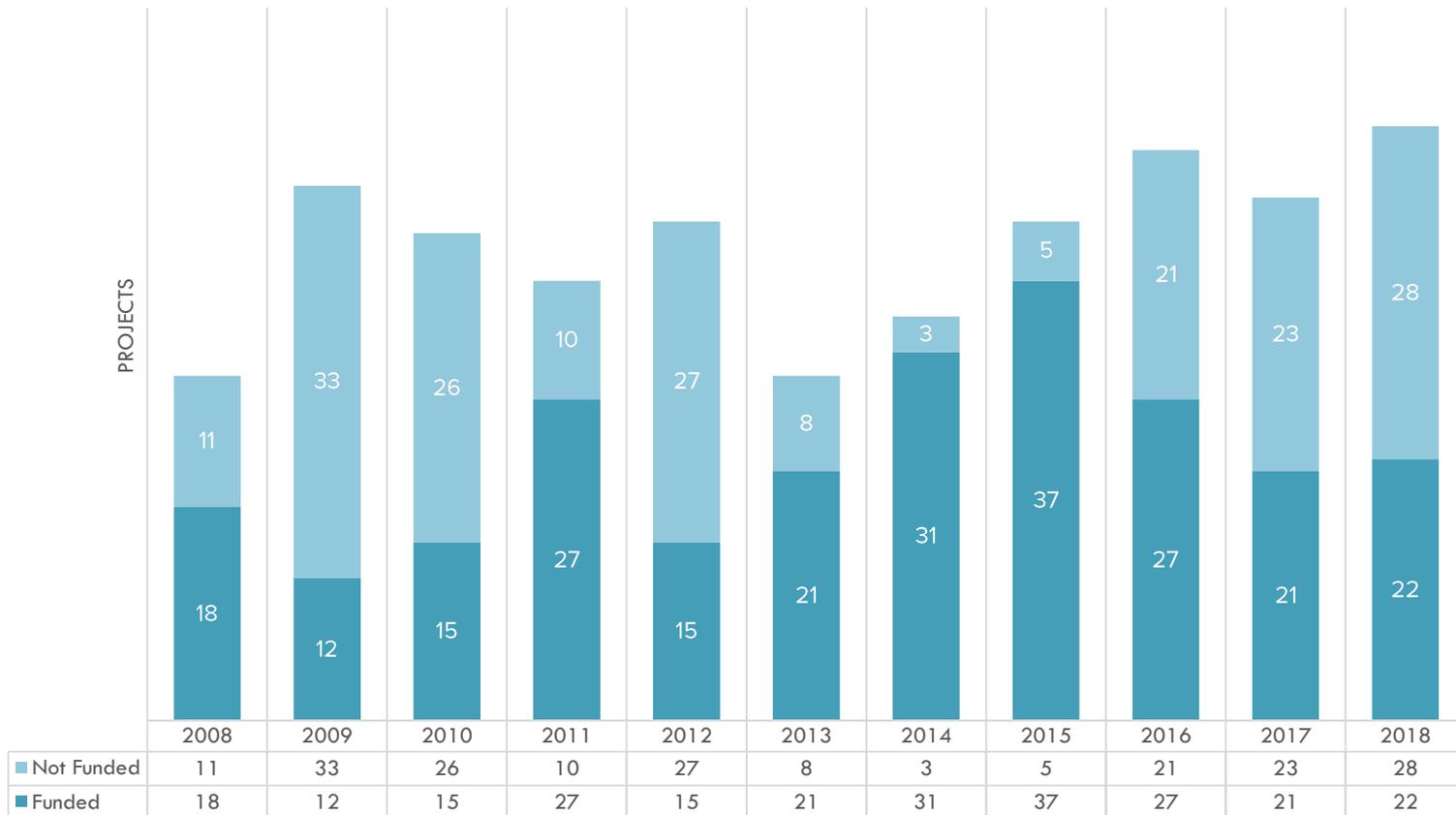
# Downtown & Village Center Tax Credits

## Funding Demand FY 2008-2018



# Downtown & Village Center Tax Credits

## Project Demand FY 2008-2018



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